TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE

FISCAL NOTE



HB 2686 - SB 2691

February 11, 2010

SUMMARY OF BILL: Authorizes graduates of engineering technology programs who have six or more years of progressive experience on engineering projects to take the Fundamental Engineering Exam (FE).

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$7,500/One-Time/Board of Architectural and Engineers Examiners

Increase State Revenue - \$900/One-Time/Board of Architectural and
Engineers Examiners
\$4,200/Recurring/Every Two Years/
Board of Architectural and
Engineers Examiners
\$12,000/Recurring/General Fund

Assumptions:

- According to the Department of Commerce and Insurance (C & I), there will be a \$7,500 one-time increase in state expenditures for rule making. Pursuant to Tenn. Code Ann. § 4-3-1011, all regulatory boards are required to be self-supporting over a two-year period. As of June 30, 2008, the Board had a positive balance of \$598,079.52. According to the Department, the \$7,500 will be taken from this balance.
- C & I estimates that approximately 30 new applicants will take the test and be licensed. These new applicants will pay a one-time \$30 application fee and a \$140 registration fee that must be renewed every two years. Application and licensure fees will go to the Board. The one-time increase in state revenue for application fees is approximately \$900 (30 x \$30). The recurring increase in state revenue every two years will be approximately \$4,200 (30 x \$140).

• The Department of Revenue will collect an annual \$400 professional privilege tax. This revenue will be recurring and go into the state general fund. The recurring increase in state general fund revenue will be approximately \$12,000 (30 x \$400).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

James W. White, Executive Director

/msg